DAUPHIN COUNTY BOARD OF COMMISSIONERS

WORKSHOP MEETING

OCTOBER 6, 2010
10:00 A.M.

MEMBERS PRESENT

Jeff Haste, Chairman
Mike Pries, Vice Chairman
George P. Hartwick, III, Secretary

STAFF PRESENT

Chad Saylor, Chief Clerk; Marie E. Rebuck, Controller; Janis Creason, Treasurer; William Tully, Esq., Solicitor; Randy Baratucci, Director of Purchasing; Greg Schneider, Budget & Finance; Dave Schreiber, Personnel; Kay Lengle, Personnel; Amy Richards, Commissioners' Office; J. Scott Burford, Deputy Chief Clerk; Guy Beneventano, Esq., Solicitor's Office; Fred Lighty, Esq., Human Services Director's Office; David Feidt, Solicitor's Office; August Memmi, Director of Community & Economic Development; Gary Serhan, Deputy Controller; Melissa Wion, Personnel; Faye Fisher, Director of Personnel; Edgar Cohen, Director of Facilities Maintenance; Joe Cardinale, Solicitor's Office; Leila Brown, Solicitor's Office; Jena Wolgemuth, Commissioners' Office, Brenda Hoffer, Commissioners' Office and Richie-Ann Martz, Assistant Chief Clerk

GUESTS PRESENT

Matt Miller, Al Loomis, Dave Wuenschel and Angela Bates

MINUTES

CALL TO ORDER

Mr. Haste, Chairman of the Board, called the meeting to order at 10:07 a.m.

MOMENT OF SILENCE

Everyone observed a moment of silence.

PLEDGE OF ALLEGIANCE

Everyone stood for the Pledge of Allegiance.

APPROVAL OF MINUTES

Mr. Haste: We have several sets of meeting minutes that we'll take up at next week's meeting.

PUBLIC PARTICIPATION

Mr. Haste: We are at the point in time in the meeting for public participation. Is there anyone in the audience that would like to address the Board at this time? (There was none.)

DEPARTMENT DIRECTORS/GUESTS

A. Al Loomis, Vice President

1. Presentation on Funding Options for the 2011 Employee Healthcare Plan (A handout was provided.)

Mr. Loomis: We are here today to discuss the funding options, which are continuing self-funding on your own or joining as a member of the Pennsylvania County Health Insurance Purchasing Cooperative.

We are just completing the second year of the program. You started self-funding in 2009 and prior to that you were fully insured with Highmark. When we went to this self-funding arrangement, we did work out a deal with Highmark for three years to provide the administrative services for your network access and your employee claim adjudication. That will continue for one more year.

Claim History – we will talk about several things under that and then we will talk about the two options and the advantages possibly of the Cooperative. Page 4, shows what the claim costs have been over the last four years or since 2006 and what your premiums have been. The red line represents what your claim costs have done. As you can see that is a very steady progression upward. Most of the progression upward is impacted by inflation, medical inflation, which is still at the double digit level. When you start to have claims in the $10 to $15 million range, you can see that each year at 10% you are adding $1 million to $1.5 million just for medical inflation. However, in the last year, 2010, we are seeing an up in claims a little higher than inflation. We will talk about that.

Mr. Haste: Do we have a similar chart or can you give us a similar chart that shows usage? I know this is dollars. The reason I'm asking is because we have instituted a pretty aggressive wellness program. On this it would appear that it is not working. I don't know if this is the correct assumption, if inflation is what is driving this. I would like to see what the usage is.

Mr. Loomis: The fact that from 2006 to 2009 is pretty much just medical inflation driving it. Your wellness is helping to keep utilization under control.

Mr. Haste: Do we know that or are we assuming that? The only way we would know that is if we looked at usage, right?

Mr. Loomis: It is tough to prove a return on investment on wellness. It is a very important tool, because we know that we want to keep those claims under control, but it is difficult to attribute specific savings to a wellness program.

Mr. Haste: Then how do we know it is working?

Mr. Loomis: To some extent by looking at this trend and seeing if it is above inflation or below inflation. At least until 2009 you have been pretty much at inflation. So, you are controlling that utilization. You are not necessarily reducing it, but you are not increasing either. Wouldn't you say that is correct, Dave?

Mr. Wuenschel: Yes, I think it takes a little bit of time whenever you develop wellness programs where you start seeing maybe some type of a financial impact. What is driving this increase, at least for 2010, and again on this graph you see here, the 2010 is six-months actual and then projected for a 12-month period of time. It is somewhat not of a real concrete finalized number. It is just trying to look at where we are heading. We are having a higher number of incidences as far as serious claims taking place now compared to 2009 and 2008. Many factors probably drive why you see the increase. I think the wellness programs it takes awhile for them to actually take hold. That is something I think you have to continue to spearhead, because the idea is to try to prevent these shock claims from happening down the road. That is the primary function of the wellness programs.

Mr. Pries: What is the definition of a serious claim?

Mr. Wuenschel: Those are claims that sort of breach this $90,000 range.

Mr. Haste: I was going to say I always thought $90,000 was our target.

Mr. Wuenschel: I noticed in looking at the raw claim data and we have been providing your staff with reports on a monthly basis, we've had a little higher than normal instances of claims, say from $20,000 to $90,000. They are not necessarily serious claims, but we are having a higher frequency there. I can't say that a wellness program would have prevented those. I think that the wellness program is something that we want people to know their numbers. We want them to eat right, exercise and try to do a lot of those things which hopefully will prevent some of those occurrences down the road.

Mr. Loomis: I think you are starting to see some return on your investment in the efforts that have been made by your staff to lower the drug utilization. Back on Page 4, one other quick point, the variance between the red line and the green line are your administrative cost, the cost that you are actually paying for the coverage, your total cost. The red line is just the claims. It is important to point out that back in 2006 when you were fully insured you see how far apart that line was. It was nearly $2 million that was left on the table with the insurer, because you weren't self-funded. Once you hit the self-funding from 2008 on, you can see that gap is very consistent.

Page 5, you can see that while the medical claims, which are the blue line are trending up more and obviously pushing up your overall costs, which is the green line, your drug utilization has been fairly flat. That is encouraging because of the efforts that have been made to try and change some of the patterns there.

Page 6, the graph is simply intended to show you what your performance has been in comparison to what the actuary thought it would be and what your max funding was. The red line is the max funding that you have made to cover your claim costs. The green line represents the actual claims paid. The blue line represents where the actuaries projected the claims to be. You can see that for 2009 your claims were actually higher than what the actuary projected. You were under max, but you were over expected. By 2010 those lines have come back together and for 2011 we are projecting a slight decrease in actual under expected.

Mr. Haste: Have you taken into account the new Obama plan where we are going to be carrying dependents to 26. Is that all factored in here?

Mr. Wuenschel: Actually in this year's renewal we used for all of the counties in the PCHIP program, we used a 10% trend. The carriers right now are using 12% to 14%, so we are about 2 to 3% below what the carriers are using as an inflationary number. Also, we used a 1% additional trending for healthcare reform. Predominately the age 26, covering dependents to age 26 and also if a group is not grandfathered then no co-pays for the wellness, preventative services. I can tell you right now the industry from an insurance carrier standpoint are using anywhere from 3 to 4% for that same risk. That is actually built into the projections.

Mr. Loomis: Since we started doing the self-funded program, we've actually tracked your performance against the Co-op. In other words, we wanted to see how you compared if you had been in the Co-op. We used the $90,000 Stop Loss as sort of the benchmark. You actually, in 2010, are paying all claims under $750,000 and anything over that would get transferred off to the Stop Loss Carrier, but for purposes of this analysis, we are looking at the $90,000 for 2010 and 2009. In 2009, you had about a

40% loss ratio over $90,000, which was very good. Anything under 85 would be excellent so 40 is super, which means you hadn't had a lot of claims over $90,000. In fact, you had 11 claims, $524,000 and you actually budgeted $1.3 million to cover claims in that layer. This year is a little different. It is trending upward. You are already at $464,000 through six months and you are at 71% of budget this year. So, the trend is starting to go up, claims over $90,000. Part of that is driven by increased activity in these high serious claims or shock claims. We listed six specific ones that had been identified – pancreatic cancer, liver cancer, colon and those kinds of serious issues. The blue bars show where those claims are this year and where they could likely trend next year. The red and yellow bars are showing both the high and low expectation on these types of claims for next year. We think there are some tough times coming with these larger claims. We'll talk about that a little more when we talk about whether or not you should be in the Co-op or out on your own.

We put together a schedule to walk you through the factors that are considered in both the standalone arrangement and in the Cooperative arrangement. At the top are the fixed costs. The Highmark ASO fees, which I mentioned earlier, those have gone up about 9%, but they would be the same whether you are in the Co-op or whether you are on your own. Benecon's management fee is unchanged. There is no increase for this year. That would obviously be the same too, whether you are in the Co-op or not. Where you start to see some differences are on the Stop Loss premiums. You actually are responsible for all claims under $750,000 and you transferred any liability for any claim over that to the Stop Loss Carrier and the premium to do that next year is $71,901. That was $55,000 something this year. So, it has jumped up about $20,000 or close to $20,000.

Mr. Hartwick: $16,000.

Mr. Loomis: Primarily because of the shock claims they see coming. On the Cooperative side, your stop loss protection would be $1.9 million. That changes the dynamic. Instead of being responsible for all claims from $0 up to $750,000, you would only be responsible for claims from $95,000 down to $0. All the claims over $95,000 would get transferred off to the Stop Loss Carrier. The question is, is it better to transfer those claims off to the Stop Loss Carrier or not by being in the Co-op. The claim cost area, the projected claim exposure for all claims over $95,000, the actuaries are telling us that they believe those numbers will be in the $1.483 million range. Again, we are talking about claims over $95,000. Of course, if you were in the Co-op you would have no exposure in that layer, because you would have bought the protection at the $1.9 number. For claims under $95,000 they are going to be what they are, whether you are in the Co-op or whether you are out on your own. Those are going to be at max, worst case, $20,216,000. In addition, on the Co-op side, we've added $51,988 in there for Connect Care 3, which is a nurse navigator program that all of the members of PCHIPC have endorsed. That program is designed to have registered nurses work with any claimants who have high dollar claims to make sure that they got the correct diagnosis, they are getting the best treatment regimen for their diagnosis and that they are going to the best facilities. The idea there is if you get them the best care right up front that typically will cut your cost in the long run.

Mr. Pries: That $51,000 is a guesstimate?

Mr. Loomis: That is a firm number. In the Co-op that is a firm number and the $20,216,899 that would be the maximum cost for claims under $95,000. That number could be less, but it won't be any more.

Mr. Pries: Which happens to be the exact same number for the Stand Alone?

Mr. Loomis: We are projecting the same amount of claims, but on the Stand Alone side we can't guarantee it won't be more than $20 million. There is only a 15% probability that it would be more than that, in our estimation, but we can't guarantee that will be all it is. You can see the cash difference upfront is $479,103. What that does for you, if you elect to go into the Co-op is it transfers all that risk off. With those shock claims that are coming down the road, this might be the year to seriously consider doing this. As you saw in 2009 you did very well with claims over $90,000. This year you are already at 70% of budget through six months and we know we got those six big claims out there and there could be more. Of course, some of them could go away. That is the bet here.

Just to summarize what the Co-op would do is it would cap off your liability for claims over $95,000 and it would cap off your liability for claims under $95,000. You would have a certain maximum amount. If your performance is better than expected then certainly that money remains your money in the Co-op. It doesn't get transferred to an insurance company. The other advantage of being in the Co-op is that on future renewals you won't have to worry about lasers on any individuals who have high dollar claims. A laser is simply, the Stop Loss Carrier will say I won't take a low deductible on an individual. You had $750,000 right now so that is pretty high. The likelihood isn't too great, but the point is that you stay self-funded for a long period of time you might want to bring that number down. If you do you could wind up with lasers on serious groups when you are out there in the market on your own. In the Co-op you never have to worry about lasers. Lastly, you have the benefit of CC3 by being in the Co-op. You could get that benefit just by purchasing it on your own. It comes automatically as part of the Co-op deal, certainly at a cost. You could buy that on a standalone basis. That is a quick overview of where you are, where you are headed and what your options are. We didn't obviously look at going back to fully insured, because we don't think that is a real viable option.

Mr. Haste: One thing I don't see here and we probably ought to take a look at, I thought you would have done it in the comparison, you show the Stand Alone and the Co-op, and back here you show the potential, but you don't show that negative impact on the Stand Alone.

Mr. Loomis: What we are trying to point out to you is that this $1.4 million that the actuaries are projecting as claims over the $95,000, those shock claims are going to impact that amount. The cushion or the changes that you are going to exceed that number are probably greater than they have been in the past, because of the value of those shock claims. Keep in mind, when I showed you the shock claims, I said they are $1.2 million, maybe $1.5 million of individual claims. You are only responsible for $750,000 ultimately.

Mr. Wuenschel: None of those, I think, are looking at hitting that level. The key thing here is our chief actuary looked at this and when you have these high claims out there it is somewhat of an unknown. He was comfortable with $1,483,000, because he knows that some of those shock claims will be absorbed by this $1,483,000, but it also could be more. Everest who is the reinsurance partner on the Co-op took a little different viewpoint on that. They basically felt that $1,483,000 might be a little low from their point of view. It is two underwriters looking at a potential risk saying what they feel most comfortable with. The key notion is that we know that we have six high claimants and they are the type of claimant that could either not continue or continue. Some of them could continue for multiple years. We have one in stage renal that could go three years before we can get out of it and then have it transferred to Medicare. We wanted to point out that when we started this program, the decision was to kind of fully self-fund our plan. You came into the Co-op and we managed the Stop Loss premium. In the very first year you did well, you have a 40% loss ratio. You did carry a surplus forward. The thought process was that I'm going to have more good years than bad years and that is a true fact, but I think what we are seeing here is that it would have been nice to have a few more good years before the bad years started to come at us. It looks as though we are heading in the direction where we may have a higher specific stop loss exposure earlier than was anticipated. That is really where we are at. I think the notion is that we can stay on a Stand Alone basis, but we know full well that we are exposed, if, in fact, some of these claims continue longer than maybe what one would expect.

Mr. Haste: We would have to be exposed $479,000 more than what was anticipated for this to make sense.

Mr. Wuenschel: Your Stop Loss premium differential between the two plans is about $340,000 of the $479,000 and then we are also purchasing aggregate coverage to cap the stuff under $95,000, along with ConnectCare 3. Those are the three components that make up this differential in what you are looking at there. Yes, you'd have to actually have claims exceed roughly $1.9 million where in essence then you start losing on the Stand Alone compared to coming into the Co-op. You do have surplus that you carried forward from last year. You have about $1,250,000 or so in surplus that was carried from 2009 into 2010. We are not done with 2010. So, we don't know if the funding for 2010 into the Stop Loss fund is going to be enough to cover the final exposure for 2010. We don't know that yet. We are trying to forecast what is going to happen in 2011. It comes down to, do I go for a guaranteed maximum number or do I still currently fund it the way I'm funding it right now just to see what potentially happens?

Mr. Haste: Why wouldn't we wait one more year?

Mr. Loomis: You could. We're not telling you not to. It is your decision totally. What we are trying to project here is that it is looking a little less like a clear bet than it did back in 2009 when we started.

Mr. Haste: Are we penalized in anyway by not joining now?

Mr. Loomis: No. You can join anytime in the future. There is no penalty.

Mr. Wuenschel: It just comes down to managing the Stop Loss part of the funding.

Mr. Loomis: Let's say this next year does blow up, you are still going to have to pay the appropriate price when you go into the Co-op, which is based on what your performance was whether you are Stand Alone or not.

Mr. Haste: Which would be the case whether we are in or out?

Mr. Loomis: Correct.

Mr. Hartwick: My opinion has been pretty clear. The idea of what we pay in Stop Loss insurance versus what we paid out in claims, I want to see the difference in the two and find out if we are winning the bet. I was always one to try to reduce exposure and figure out ways if we would save money or win the bet. Isn't that what we talked about earlier?

Mr. Loomis: You won the bet in 2009 clearly.

Mr. Hartwick: Which made me wrong in a public meeting. Second of all I will tell you that this year the exposure would still not be as much as it would be in the overall bet. It looks like the trending maybe about $200,000 to $250,000 that may be the exposure. Beyond what we pay or layer off to the insurance company.

Mr. Wuenschel: The issue this year compared to last year, we do have ongoing claimants and what we've paid out so far this year is only for the first seven months. I don't know where these folks will even wind up at the end of the year.

Mr. Hartwick: It shows how important we need to make wellness, early detection; and our utilization is still going up. I remember when we started here healthcare cost a whole lot less than it does today. Despite us being self-insured, it is still moving in the wrong direction.

Mr. Loomis: Inflation alone is hitting you to $1 million a year.

Mr. Hartwick: Our trending is staying lower than what it would be if we negotiated for a self-insured plan. The bottom line is our trending is still moving in the wrong direction, despite having premiums, despite having co-pays and despite changing plan design. We still have higher utilization than we should. That still is a real issue related to future costs. This year you show that there may be a potential for future claims out there, but so far we are still on the good side of the bet.

Mr. Loomis: So far you have been.

Mr. Hartwick: I believe in capping our exposure. You know where I'm at. It may be a good idea to look at this next year.

Mr. Haste: I don't know yet. I'm going to sit down with Mike Yohe and go over some numbers.

Mr. Hartwick: We don't have to make a decision today.

Mr. Loomis: We have time.

Mr. Hartwick: I'm still real interested in hearing more strategies about controlling costs. I guess I've been designated oversight of Wellness. This may be a new passion and challenge for me to really see a change in the numbers. I'm very concerned about the numbers and the trending. We are not moving in the right direction. Unfortunately for our employees, while I value their work and while I think they are the ones who really move the team, they really don't respond well, even in the wellness situation, unless they are pushed to make some changes in the way that they view healthcare and choices. We need to figure out a way to either offer a stick or an incentive to be able to change some behaviors. Clearly, if that doesn't occur nothing will change. I've seen that based upon the response and reaction of the employees. It is not something about feeling that is just the facts. As we sit and plan for this, we really need to start to go down that path. Even ConnectCare 3 is all a matter if somebody utilizes it. What are we going to do to get people to utilize it? How are we going to get people engaged and involved, unless it costs them money or provides an incentive? Based upon behavior, sending out an email or newsletter or letting folks know about the opportunities that exist which would ultimately save us money is not working.

Mr. Wuenschel: The one point is the engagement with the programs that you put on the table. You must get them to engage. You have the industry standard as far as utilization for disease management programs that are provided by Highmark and also case management. I think those are the things that we need to educate the employees that those tools are there, they are there for a reason and they are there to help.

Mr. Hartwick: We are offering opportunities for no premiums this year if they complete a simple LifeStyles Return. We have to send multiple emails out to folks just to go on the Internet to do so. I think that is our challenge. How do you have an organizational shift in the way that we respond to healthcare issues? I think that is all of our jobs.

Mr. Loomis: We would be happy to sit down with you and go over some ideas that we have seen.

Mr. Hartwick: The idea is that we really need to get our employees' attention to allow them to start focusing on things that will help them and their health, which will allow them to live healthier and longer and save us some money with our healthcare.

B. Greg Schneider, Budget & Finance

1. Car Rental Program

Mr. Schneider: I was asked by Mr. Burford to provide another periodic update of the Car Rental Program. I analyzed the first seven months of 2010 and what you see before you is the savings that we have gotten through Children & Youth and Juvenile Probation, which are the most frequent users of the program, because of their long trips and frequent travel. Are there any questions? We saved almost $24,000.

Mr. Haste: Just from those two departments?

Mr. Schneider: Yes. Unless there are any complaints, I don't have to get involved with them. They completely run the programs themselves. They get approval from the supervisors. The only way that I become involved with the liaison is people that are going to training from other departments that are long distance.

Mr. Hartwick: With the identified savings, what other departments may…

Mr. Schneider: 100 miles round trip is where we start to make money. Those are the two primary ones.

Mr. Haste: Other departments use this on occasions.

Mr. Schneider: They will. You guys have been very good at that, because you point it out and tell them to call me.

Mr. Hartwick: How about we use it for transports to Lancaster Juvenile?

Mr. Haste: It's not a long enough distance.

Mr. Schneider: That's probably not 100 miles.

Mr. Hartwick: Maybe South Mountain is.

Mr. Schneider: We might save a $1 or $2.

Mr. Haste: We would still have the employee cost then. It is at least worth costing that out.

Mr. Saylor: Greg, have there been any employee complaints about this program?

Mr. Schneider: I have not gotten any. The first year I pretty much had to be hands-on everything.

Mr. Saylor: Obviously the wear and tear on pool cars is not factored into this.

Mr. Schneider: We would have to have extra cars for travel. You not only save on the cars themselves, but then the maintenance and upkeep of the cars.

Mr. Pries: First of all let me just say that I have to commend you on these numbers. You did a great deal of work on this and it is very detailed. The question I have is the actual vehicle that we are renting. I notice the corporate car class ranges from large SUVs, intermediate cars to large pick-up trucks, full-size compacts, mini-vans and that is because of…

Mr. Schneider: That depends on who they are transporting. If they are transporting whole families or stuff like that, sometimes they have to use a box truck for when they move families. They are supposed to only use them on a limited basis, when the need arises so we get optimum bang for the buck. The classifications just bewilder me. There was one that said convertible and I know that is not a corvette or anything like that, because it was $42. I don't think you can rent a corvette for $42. I'll find out for you.

Mr. Haste: Greg, I noticed that there is a fallacy to your report. I see that I'm listed on there.

Mr. Schneider: I didn't take that one out.

Mr. Haste: I used it for personal. I showed up at Enterprise and told them where I worked and I got the discount.

Mr. Schneider: Sorry about that. We didn't pay for that. I remember that, but I forgot to take it off the list.

Mr. Haste: I wonder if some of these others are the same way.

Mr. Schneider: They shouldn't be.

C. Edgar Cohen, Director of Facilities Maintenance

1. Update on Capital Projects

Mr. Cohen: What I gave you is a little update of the capital projects that have been going on. Work Release – on the left hand side it tells you what work is being performed and over to the right it gives you the completion date and who the work has been completed by. The next page is also Work Release. The ones that are in red are items that are still outstanding. For example, the shower unit on 3, next week the contractor will be in to finish the shower heads and then unit 3 will be completed. Unit 4 – the contractors are putting down the floor itself on Friday. It has been stripped, locked tight and the mold has been removed already.

Bulk Storage – there are a couple of items going on. The one area that the Coroner's Office is turning into a training center, the items that we had to take care of is done. It is 100%. There are some other items that are still outstanding. We are waiting on outside vendors. I have been contacted by the Coroner's Office to try to help them with the painting. Apparently they had kids to help them out and they didn't do a very good job.

Mr. Haste: I heard he got his new coolers.

Mr. Cohen: The new cooler has been installed. We also ran the HVAC for the unit itself. The HVAC still needs a little more fine tuning. That is why the project is 80%, but the unit itself has locks on it. It just doesn't have cooling yet. That is expected to be done by next week.

Warehouse – That is on hold right now for the metal shelving units, because as soon as the sale is completed out there we will have room to move the shelving units. It should go out to bid at the end of this month for the emergency generator. We will have a generator for use by the Coroner's Office and the Warehouse.

Courthouse – The basement men's and women's bathrooms, public facilities, is slated to start. The women's bathroom is slated to start next week. The men's will follow after that. Those are the last two restrooms to be completed. As you see there are a lot of things that our maintenance staff is doing and also outside contractors are working together.   The second, third and fifth floor men's and women's has been completed 100%. The second floor, outside of the District Attorney's area, the drop ceiling is 60% done. There was a little hold-up on that, because of the architectural lights that was designed for that building. The lights cost $700 per piece. I came up with the option of where I can move some lights from another area. I would have had to get six lights at $700. I can move six lights from somewhere else and put a different type of light and no one will be able to tell that it is a different style. These lights are nice looking, but they are very expensive. I was able to save some money by moving six lights from the basement up to the second floor. That way each side of the hallway will look the same. The Sheriff's cage area has been on hold, because we have been asked to assist with the ADA requirements in the holding cell. I do have quotes. They came in this morning. It will be added to the packet for approval so we can move ahead. Recorder of Deeds area, everything is completed except for the smoke detector. The outside vendor told me that they would be starting on October 18th.

Administration Building – the maintenance staff installed two tankless water heaters and ran all the water and gas lines. We saved a lot of money by doing it ourselves. Also, outside we removed some flower planters that were causing some leakage. We have some other things to do before the winter and that should seal up the leaking for the basement of the Administration Building.

The last page is an overview of the 2011 Projects that we are looking to get started. I will be having meetings soon with Steve from the Prothonotary's Office. Register of Wills, the ceiling will be replaced in the mezzanine area. The Deliberation Rooms, the bathrooms themselves are the original 1940's. They will be updated with new commodes and automatic flushers. We will be painting Stairwell D to brighten it up. We are looking at possibly replacing or doing some modifications to the Schaffner Youth Detention Center's roof. I realize that there are things going on, but we still have to protect the inside of the building. There are some areas that need to be taken care of or possibly there is a type of product that we can put down that will give another two years out of the roof itself. Do you have any questions regarding this?

Mr. Pries: I want to make a comment. I want to thank you and your staff for going into the Controller's Office and completing the work there. I know Marie, Gary and the staff are very pleased with the work that was done, not only in the ceiling, but also on the wall.

I do have a question on the flower planter and the pouring of 1,500 square feet of concrete. That is at the top as you are driving into the parking garage?

Mr. Cohen: It is behind the ramp itself, facing the Courthouse. It was a nice design, but they put dirt with sand on top of the actual concrete deck. What happened is basically the water was just draining from the trees and flowers. Trees were dying because the water was just draining and it was going into the garage. The area was becoming a homeless frenzy. Constantly bags and everything were thrown around. We have some potential of some different things. Some folks asked for a picnic bench or something. That is still up in question, because we will have issues with the homeless using this area as a sleeping area.

Mr. Pries: From an engineering standpoint there are no issues with adding all that concrete on top of that?

Mr. Cohen: No.

Mr. Hartwick: The question that I have is related to the Schaffner roof. What do we have as it relates to future maintenance plans? Do we have it in the capital budget to do the repairs? Is that going to be part of this year's budget?

Mr. Cohen: Some parts of it, yes. The scope I was looking at to possibly replace the roof would come out of the capital budget.

Mr. Hartwick: Is it going to be an entire roof replacement?

Mr. Cohen: No, just some sections.

Mr. Hartwick: Are there any leaks?

Mr. Cohen: There are some small leaks. They call contractors out. They are basically nickel and diming them. I'm looking at possibly having an application on the roof that gives it an extra five years out of it.

Mr. Haste: It's a flat roof.

Mr. Cohen: Yes, it is a flat roof with stone ballast. It has a lot of equipment up there so it is a bit of a challenge.

Mr. Hartwick: Can we spend some time, not today, but actually going around the facility and finding out what needs to be done? I'm not as familiar with Schaffner. I have not walked through it except for the basement.

Mr. Cohen: Schaffner is pretty good. We just updated the whole building itself, as in top and bottom, with the energy project, with new bulbs and ballasts. There are new flushers in different areas.

Mr. Hartwick: There is still going to be some work done to do a little retrofit related to structure.

Mr. Saylor: I know Scott has had Kimball out there in the past to look at the space.

Mr. Hartwick: If there is a structural analysis or some sort of plan I would like to see it.

Mr. Saylor: Before Edgar continues, the idea behind this, I think he is doing a very good job with this is to come before you on a periodic basis. We had talked about quarterly. Certainly you guys can make that call. Edgar could make updates so you can see how maintenance is progressing with the work that is scheduled and all the different things they are doing to give you a better feel on what is going on there. There are a lot of different projects that Edgar's shop is involved in. That was the plan with that.

Mr. Cohen: For the month of September, Maintenance has done 329 completed maintenance orders. Those consist of toilets overflowing, changing light bulbs and so on. Speaking of light bulbs, the reason why a couple of these are not changed is because we had to order some more. The ones that were out we replaced. These are very expensive. They are $200 a piece. We don't keep them much. These have only been changed twice since they have been in. I have been telling folks who use this area to not dim the TV lights. When you dim the lights it hurts the ballast and shoots the bulbs out.

Mr. Hartwick: You don't have to replace them for me. They are fine.

Mr. Cohen: The clicking is the ballast.

Mr. Hartwick: To be honest, we don't use TV in here too much. I think this whole deal was extravagant. I wouldn't worry about the replacement.

Mr. Cohen: They have been ordered.

With regard to the energy project at the Courthouse, all the air handlers in the penthouse of the Courthouse have been replaced. It is basically all new. The basement mechanical room air handlers are at 60% completion. Also, throughout the Courthouse, there were 75 induction coil units that were replaced. Induction units are those units that are at the windows that supply cooling or some of them just supply heat or some supply both. Installation of new motorized heat valves has occurred. We have replaced all the old pneumatic air thermostats with updated digital. There are 60% of them online currently right now that I can see on the computer itself. Within two weeks that project should be complete. They are right on track for the heating season. I figure come November there should be no complaints about being cold. The Courthouse folks have been pretty good. They have been very understandable.

Mr. Haste: As long as we have males and females in the same work area there will always be complaints. That seems to always be the case.

Mr. Hartwick: What would it take to get rid of these lights?

Mr. Cohen: It wouldn't take much.

Mr. Haste: I wouldn't do anything, I just wouldn't replace them.

Mr. Cohen: Basically if you weigh out the cost of installing another light versus the bulbs, they do last a long time as long as the folks don't dim them. They have to be on or off.

Mr. Hartwick: Do they need to come on while we are in a meeting?

Mr. Cohen: It makes a shadow. It is up to you. Do you have any questions? (There was none.)

PERSONNEL

Ms. Lengle: Do you have any questions on the Salary Board items? (There was none.) Are there any questions on any of the items in the personnel listings? (There was none.) Included in the Personnel Packet are a Pay Day Schedule for 2011 and a Holiday Schedule for 2011.

PURCHASE ORDERS

Mr. Baratucci: The Purchase Order report has been delivered. As usual there are a few minor budget adjustments that we will fix as soon as Mike gets back. Do you have any questions? (There was none.)

TRAINING PACKET

Mr. Haste: Item #13, Kelly has asked that we vote on that so we can continue with our refrigeration program out there.

Mr. Saylor: I'm told we need to vote on Items #12, #19 and #21.

> **It was moved by Mr. Pries and seconded by Mr. Hartwick that the Board approve Items #12, #13, #19 and #21 of the Training Packet.**
>
> **Question:** Mr. Haste – Aye; Mr. Pries – Aye and Mr. Hartwick – Aye; motion carried.

ITEMS FOR DISCUSSION

A. Engagement Letter from McKonly & Asbury, LLP for audit services. Phase I will not exceed $5,000 and Phase II will range in the amount of $7,500 to $10,000. **(***A VOTE IS REQUESTED 10/6/10***)**

Mr. Haste: We have Items for Discussion and we need to take action on the Engagement Letter with McKonly & Asbury.

> **It was moved by Mr. Hartwick and seconded by Mr. Pries that the Board approve Item A, listed above under Items for Discussion.**
>
> **Question:** Mr. Haste – Aye; Mr. Pries – Aye and Mr. Hartwick – Aye; motion carried.

SOLICITOR'S REPORT – WILLIAM TULLY, ESQ.

Mr. Tully: There are no changes to the Report, but I would be happy to answer any questions you have. (There was none.)

CHIEF CLERK'S REPORT – CHAD SAYLOR

Mr. Saylor: Commissioners, likewise, I have nothing unless there are questions of me. (There was none.)

COMMISSIONERS' COMMENTS

(There was none.)

<u>PUBLIC PARTICIPATION</u>

Mr. Haste: We are again at the point in time in the meeting for public participation. Is there anyone in the audience that would like to address the Board? (There was none.)

<u>ADJOURNMENT</u>

> **There being no further business, it was moved by Mr. Pries and seconded by Mr. Hartwick that the Board adjourn.**

Respectfully submitted,

Chad Saylor, Chief Clerk

Transcribed by: Richie-Ann Martz